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“Categorical Inequality” by Laurie Dougherty

Differences between groups of people, such as gender, race or ethnicity, all too often serve as lines of demarcation for economic inequalities. This section explores a number of issues which these divisions raise for economic theorists, empirical researchers, policy makers and analysts. A central question across all these domains concerns the extent to which unequal outcomes result from discrimination or from productivity considerations. There is a great deal of evidence, some of which is presented below, that categorical inequalities persist, but their origins are complex. Both theoretical economists and empiricists attempt to examine the effect of productivity-related characteristics. Even with very careful specifications, unexplained differences remain, and even to the extent that productivity issues can explain outcomes with respect to employment and wages, deeper questions remain about how and why people acquire appropriate skills and experiences in the first place.

These deeper questions are bound up with cultural and historical legacies, two of which we will explore in this essay and in articles summarized in this section: lingering residential segregation by race and occupational segregation by gender. In the case of racial and ethnic minorities, segregation recurs in various guises. Legal segregation in the south of the country and *de facto* segregation in northern cities were the focus of civil rights movements in the past. Today, residential segregation persists, but it is more and more an economic phenomenon as poor minorities are isolated in decaying inner city neighborhoods. The spatial dimensions of racial inequality have implications for access to education and jobs as well as for the general quality of urban life.

Women must contend with the legacy of a patriarchal society. The family values so often touted in the mainstream culture of the late twentieth century hold up as a model the nuclear family with a male breadwinner going out to work and a wife at home, keeping house and taking care of husband and children. This image is very much at odds with the experience of many women who are working outside the home. Many women and more and more men are raising children alone. For women, a major source of unequal economic outcomes is occupational segregation rather than residential segregation. Although much progress has been made, the patriarchal legacy has left women as a whole at a disadvantage in the labor market. Traditionally, women were not encouraged to prepare for or enter many lucrative occupations,

and even today many fields of endeavor remain strongly populated by and identified with either men or women.

INEQUALITY: RATIONAL CHOICE OR SOCIAL CONSTRUCTION?

As the title of Charles Tilly's 1998 book *Durable Inequality* indicates, inequality can be a stubborn phenomenon. In Tilly's view, durable inequalities emerge when people are categorized according to some group-related characteristic, such as race or gender, and one or more of these groups establishes dominance over others. Dominance takes on an economic dimension when those in power control resources, hoarding for themselves and their allies the most desirable assets, occupations, and neighborhoods, as well as benefits and rewards like education, health care and recreation. Dominance becomes exploitation when the powerful not only possess a disproportionate share of resources and privileges, but also command the work effort of members of less-advantaged groups and the distribution of the value added by their labor. (Tilly, 1998)

Mainstream economic theory simply wishes away the questions of power, discrimination and exploitation that concern an historian of liberal bent like Charles Tilly. According to economic orthodoxy, choices that are not based solely on productivity factors lead to failure in a competitive marketplace. An employer, for example, who wishes to hire only from certain racial groups will not always choose the best qualified employees and will eventually fall behind competitors who hire based on qualifications alone. Discrimination should, therefore, diminish under the pressure of economic forces.

Yet there are durable inequalities associated with race, ethnicity and gender that cannot be wished away. They are the stuff of headlines and policy debates and the day-in and day-out experiences of women and minorities all over the world. A wealth of empirical research testifies to the difficulties the disadvantaged face in catching up to the advantaged. Equality is not an equilibrium state reached by the ineluctable dynamic of clearing markets, but rather a continuous struggle marked by progress, setbacks and the valiant endeavors of countless people remembered and unremembered by the historical record.

It is striking that Martin Luther King was not assassinated when he led civil rights marches into the Klan-infested cities of the Deep South, nor when he preached against U.S. involvement in the Vietnam War, but rather when he went to the aid of striking sanitation workers in Memphis. This was to be an opening salvo in his organization's Poor People's Campaign. The image of Martin Luther King struck down on the balcony of a Memphis hotel - with poor working people at the forefront of his agenda - remains a powerful, tragic symbol of the long, hard struggle for economic equality.

Do inequalities arise or persist because powerful groups discriminate? Trying to answer this question is like peeling an onion, revealing more questions with each layer. Some economists claim that human capital differences - which have widely accepted impacts on productivity - are legitimate determinants of differential outcomes. An educated person, according to this view, brings more and better skills to the labor market and, therefore, will reap greater economic rewards. People who do not choose to further their education face inferior labor market opportunities.

However, human capital choices do not always simply reflect the rational exercise of personal preferences about how to spend one's time. Such choices may themselves be the outcome of durable inequalities in residence, social networks or socioeconomic status. Those who live in impoverished circumstances often don't know the right people, or can't afford the right schools. What happens, as William Julius Wilson asks, when work disappears with the shifting shocks of economic supply and demand? Do people, who may in fact have invested heavily in their own human capital (education or experience), freely choose their own obsolescence when new techniques or new products demand new skills?

Many women restrict their human capital and labor market choices in order to meet family responsibilities. Do they make this choice with the full and equal liberty attributed to rational Economic Man, or are they trapped by the legacy of a patriarchal ideology? Why don't more men clamor to stay at home cooking, cleaning and carpooling the kids to soccer?

The deeper one goes into the etiology of economic choices the more it becomes clear that people do not simply and rationally opt for poor circumstances. To be sure there are different preferences; some people are ambitious while others are laid back. However, people need economic resources in order to survive and thrive, and they hope for fair opportunities to meet those needs. When those hopes are frustrated a vicious cycle emerges, in which disadvantage in one domain diminishes options in another. Perhaps peeling an apple is more apt an analogy than an onion, but with a twist - the peel resembles a Moebius strip which curls around, revealing first one aspect, then another, ending on the flip side of its own beginning.

UNDENIABLE DIFFERENCES

Many economists do recognize the persistence of different outcomes for different demographic groups - the data is widely available - and understand that these differences demand explanations. Figure 8.1 shows median real income differences by race, gender and Hispanic origin in the United States over several decades.¹ Figure 8.2 presents mean real income differences. Both income measures show clear and persistent patterns of stratification, with substantial differences between white men and white women and between white men and African American and Latino men and women. Although the median income of white men has been fairly stagnant since the mid-1970s, after rising steadily since World War II, their mean income continues to rise, although more slowly. Only men in the Asian and Pacific Islander category (not shown on the graph because historical data is not available) currently have incomes comparable to white men.

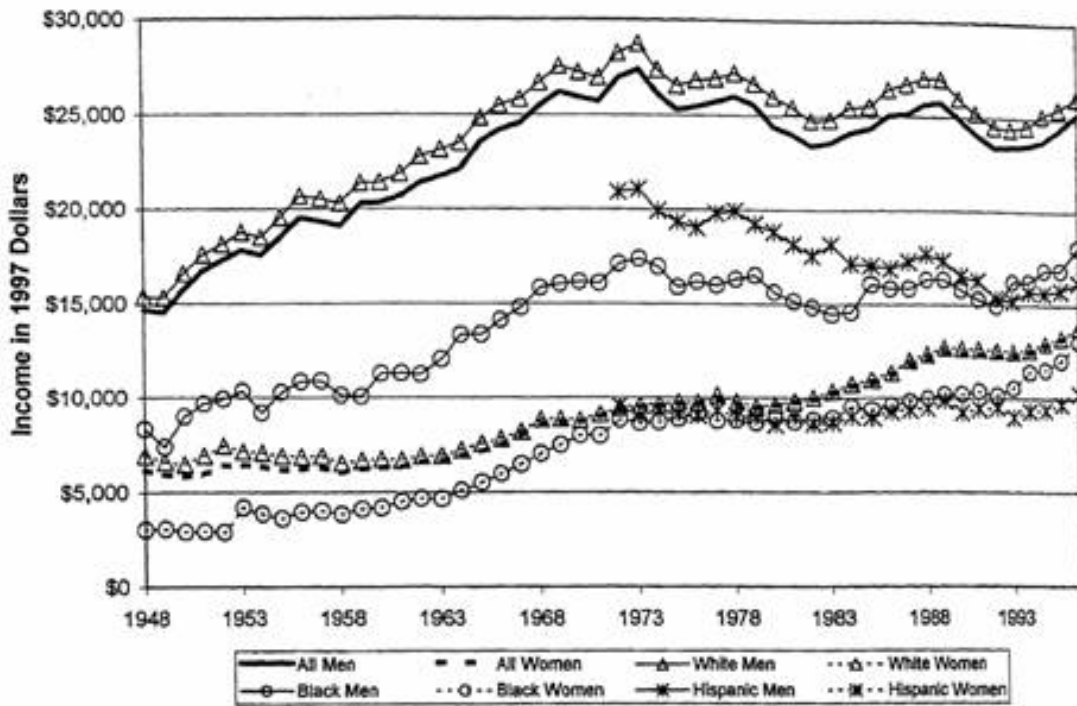


Figure VIII.1. Median Real Income, 1948–1997

Source: Historical Income Tables in March Current Population Survey, U.S. Bureau of the Census

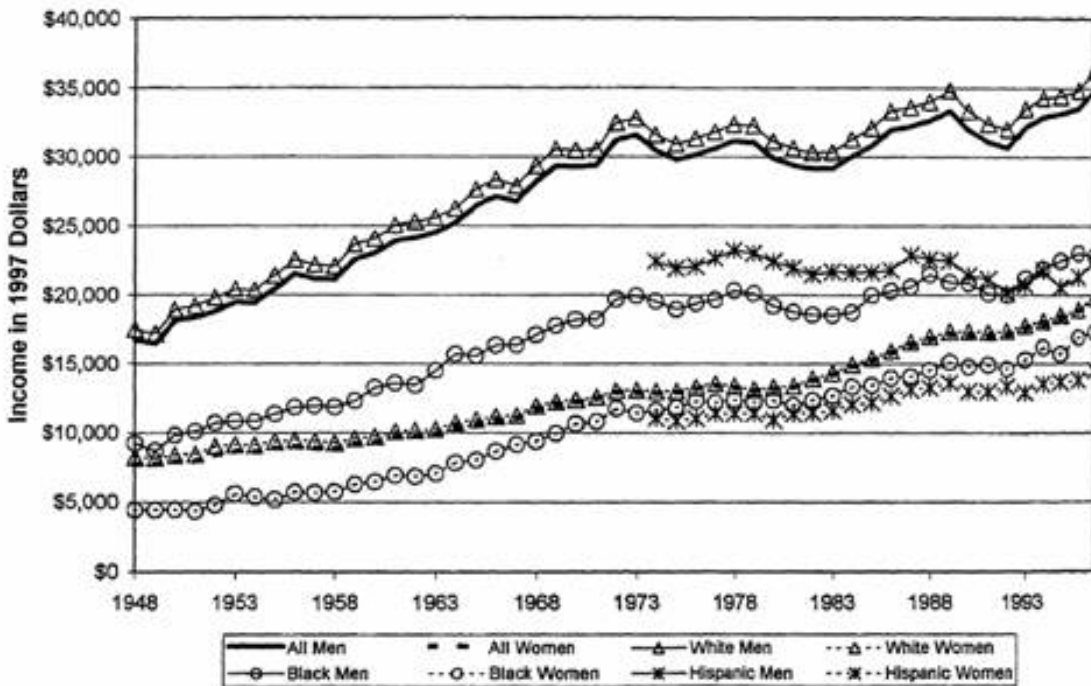


Figure VIII.2. Mean Real Income, 1948–1997

Black men's median incomes dropped between the late 1970s and late 1980s, driven largely by falling wages and high unemployment for black men, particularly young black men, with low education (Bound and Freeman, 1992). Black men's incomes have only recently begun to recover. Income for Hispanic men has fallen sharply since the early 1970s.

Although women of all demographic groups have both mean and median incomes below those of men in any group, women have experienced rising mean income since World War II. All women suffered from the general stagnation of the late 1970s, but white women's real median incomes began rising in 1980, well before any other group. Black women's median incomes began rising again in the early 1990s, while the median incomes of Hispanic women have been essentially flat.

Income comes from many sources: wages and salaries, pensions, Social Security, welfare and disability benefits, interest payments, rents, proprietorship and returns on financial and property assets. However wages and salaries make up about three fourths of family income in the United States, more among the middle class (Mishel, Bernstein, and Schmitt, 1999). And earnings tell a large part of the story of inequality among various groups of the population. Figure 3 shows median annual earnings for black, white and Hispanic men and women who worked full time in selected years since 1985. These numbers reveal a slowly diminishing, but still substantial gap between the earnings of white men and white women, and persistent and substantial gaps between the earnings of white men and other groups.

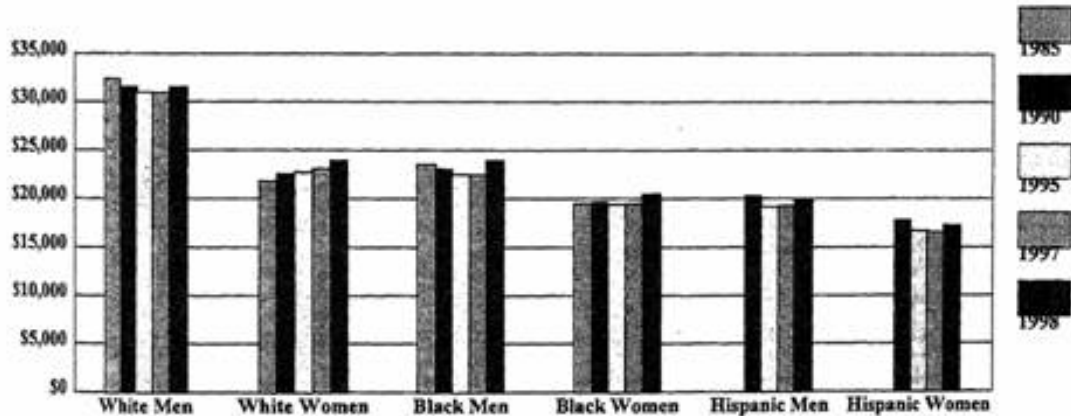


Figure VIII.3. Median Annual Earnings, 1997 Dollars

Source: *Statistical Abstract of the United States 1998* and *Employment and Earnings* (January 1999).

Real wages were been falling for most of the 1990s for all groups, except for white women and Asian men and women. Both falling real wages for men and generally rising real wages for women since the 1970s, particularly white women, contributed to the narrowing wage gap between men and women. Although women's wages are lower than men's, the earnings of

working women in two-parent couple families made a large difference in living standards for these families. Yet, the growing numbers of single-mother families are among the most impoverished.

A larger proportion of working white, black and Hispanic men and Hispanic women earned poverty level wages or below in 1997 than in 1973. That is, even if working full time all year they would not earn enough on their own to raise a four person family out of poverty. According to the official poverty measure used in the United States, this translated into an hourly wage of \$7.71 in 1997 (in 1996 dollars). The proportions of working white and black women with poverty wages fell from 1973 to 1997, but still remained high. In 1997, 18% of white men, 32% of white women, 33% of black men, 43% of black women, 42% of Hispanic men and 53% of Hispanic women earned poverty level wages.

All of the earnings measures discussed so far refer to full time workers, but women are three times as likely as men to work in part-time jobs. Obviously, fewer hours mean less total income, but part-time workers face a triple whammy because most part-time jobs also pay less per hour and offer fewer benefits or none at all. Women also work in other forms of non-standard work, for example as temps, at higher rates than men, but are less likely than men to be in relatively lucrative self-employment or independent contractor positions. One third of women and one fourth of men work in some form of non-standard employment. Blacks and Hispanics who work in non-standard jobs tend to be in the less desirable types.

The *Monthly Labor Review*, published by the Bureau of Labor Statistics, has reported extensively over the last three years on the impact of part-time and contingent work, based on supplementary questions appended to the Current Population Surveys (CPS) for March of 1995 and 1997. Chris Tilly, in *Half a Job: Bad and Good Part-Time Jobs in a Changing Labor Market*, pinpoints the characteristics that make part-time work desirable for some and undesirable for others. When part-time work is offered as an inducement to highly skilled people who have other commitments or preferences for leisure, it is accompanied by good wages, benefits and working conditions. Some women prefer part-time work in order to make time for family responsibilities, but unless they have highly marketable skills *and* an accommodating employer, they will have to work full time involuntarily, or take an undesirable part-time job, or not work at all. (Tilly, 1996) This is one of those instances when the economics of rational choice meets the social construction of choice. In most cases, part-time work is engineered to meet employers' demands for flexible scheduling, and desires to cut costs rather than to meet employees' needs. In many cases, women must shape their work life around family obligations because it is less acceptable for men to do so.

These are only a few of the economic inequalities associated with demographic categories. Some others are discussed in other sections of this book; for example, women are more apt to receive welfare payments as a portion of their income, while white households are more likely than blacks to receive some income from property and financial assets. The evidence is sufficient to indicate that there is much for economics to explain that cannot be wished away.

RACE AND SPACE

Given that earnings from work are such an important part of income, earnings and their determinants are a useful starting point for examining categorical inequalities. Neoclassical economists tend to believe that all variation in earnings can be explained by differences in human capital and that human capital differences result from rational choices made by individuals concerning their best options. They attribute unexplained residual differences to random effects or as-yet unmeasured productivity-related elements. Much recent statistical analysis has been devoted to the correct specification of the human capital model. However, even in very carefully specified models variation remains which is correlated with group characteristics. **Catharine Weinberger** undertook an analysis of a unique data set which contained detailed information about college graduates, including the college they attended, their choice of major, and post-graduate work experience. Her study is summarized below. According to human capital theory, men and women, or minorities compared with whites, who had similar educations (e.g., school attended and choice of major) and similar work experience (e.g., occupation and years of experience) would have similar earnings. However, even given the extensive statistical controls available in her data, earnings of black and white women and black men were less than those of white men by 9% to 16%.

As well as education and experience - the most obvious human capital variables - some studies have pointed to intelligence and culture as candidates for reducing unexplained variation. *The Bell Curve* by Richard Herrnstein and Charles Murray stirred up controversy, not only in academic circles, but also in more popular media and policy debates with its claim that innate, inherited intelligence - as measured by standard IQ tests - is the most important determinant of economic destiny. Because African-Americans generally score below whites on standardized tests, *The Bell Curve* led to the conclusion "that blacks are not as smart as whites, most likely because the two groups' genes differ...and that this distribution explains the inequality among Americans." (Fischer, et.al. 1996, 11).

Inequality by Design, a compendium of articles by members of the Sociology Department at the University of California, Berkeley takes on *The Bell Curve* on methodological and factual grounds. (Fischer, et.al. 1996) Their critique argues that Herrnstein and Murray misused their own centerpiece, the Armed Forces Qualifying Test (AFQT), a test which was also administered to respondents in large longitudinal study - the National Longitudinal Study of Youth (NLSY). Herrnstein and Murray claim the AFQT is a test of general intelligence; however the Berkeley study, drawing on the same longitudinal data, refutes this claim. The AFQT, like many standardized tests, measures acquired knowledge. Scores are influenced by the length and quality of schooling and environmental variables such as parents' socioeconomic standing. William Darity and Samuel Myers, in a summarized article also take on *The Bell Curve* in an analysis of their own, as well as presenting a review of the critical literature in sociology and economics. Among the critiques found in that literature is the argument by William Rodgers and William Spriggs that the AFQT is a racially biased measure of job-related skills. Scores on different components of the test (e.g. verbal or math) have different effects on wages for different demographic groups. (Rodgers and Spriggs, 1996)

Darity and Myers also discuss the cultural explanations of inequality which hold that some national\ethnic groups are more successful because of cultural supports - a form of social capital - for successful choices and behaviors. George Borjas is a prominent researcher into such cultural influences. He identifies certain “human capital externalities” which spill over to influence the behavior of members of concentrated ethnic communities. Both positive externalities (e.g. work ethic) and negative externalities (e.g. welfare dependency) may intensify within particular groups through proximity and social interaction. (Borjas and Sueyoshi, 1997; Borjas, 1995). The effect of these externalities is a persistence of group-based inequality. **William Darity** reviews several studies of cultural or social capital factors and concludes that successful immigrant groups came from relatively higher socioeconomic status origins. Because they tended to be more highly educated and to bring at least some economic resources with them, they were more able to take advantage of opportunities to enter the economic mainstream in the United States. Their mobility was more lateral than upward.

While human capital is an important determinant of earnings, the acquisition of human capital is itself embedded in historical relationships influenced by power, discrimination, and exploitation - and the struggle against them. For African-Americans both education and work experience are influenced by the history of racial segregation and the recent trend toward spatial concentration of the poor. Sociologist Douglas Massey, in an article summarized in Part 5 of this volume, discusses the tendency of income groups to concentrate spatially. The current trend is for the poor to become more and more isolated in derelict inner cities while the middle class moves to comfortable suburbs with a prosperous tax base and the wealthy reside in luxurious enclaves with expensive private services to pamper and protect their lifestyle. In other articles, Massey develops in detail the implications of spatial segregation when compounded by *de facto* racial segregation. (Massey, 1990a, 1990b)

John Kasarda is another sociologist who has written extensively on the relationship of race and space, particularly with respect to the movement of jobs out of older industrial cities to suburban areas distant from poor neighborhoods and poorly served by public transportation. Kasarda points out that women are even more dependent on public transportation than men, yet in order to work women face formidable transportation challenges. Women’s household and family responsibilities require both that they be able to get to and from home quickly and that they be able to undertake “complex journeys to nonwork destinations” to accommodate child care arrangements and household errands. (Kasarda, 1996, p.407)

Spatial concentration of poor and minority communities has also resulted in their greater exposure to sources of pollution because the urban poor cannot afford to move to the cleaner environment of the suburbs. Thomas Lambert and Christopher Boerner reviewed several studies which lead to the conclusion that polluting private sector industries and public sector facilities like landfills and waste transfer stations, are more likely to be found in poor and/or minority neighborhoods. [Lambert and Boerner , 1997] Advocates for environmental justice claim that this is evidence of discrimination, that is, that the decision to situate an undesirable facility is motivated by a willingness to cater to privileged members of society at the expense of the disadvantaged.

However, Lambert and Boerner claim that the origin of the problem may be more complex than it appears. They cite research undertaken by Viki Been in Houston and results of their own research in St. Louis which examine historical patterns of demographic change in neighborhoods containing polluting facilities. These studies found a tendency for such neighborhoods to become poorer after the facilities were built and for the proportion of minorities in these neighborhoods to grow faster than in the general population of the cities in question. In the St. Louis case, the concentration of minorities in a given census tract increased by 29% on average from 1970 to 1990 and the poverty rate increased by 10%. In census tracts containing the pollution sources included in the study, the concentration of minorities grew by 67% and the poverty rate increased 53% over the same period of time. [Lambert and Boerner , 1997]

Lambert and Boerner favor an economic solution to what they claim is an economic problem. They advocate compensating victims of pollution through payments to individuals; fees or grants to communities which would lower taxes or provide for offsetting health and social services; or the provision of public amenities like parks. Compensation programs would mean that polluters would bear the costs of their negative impact on the community. Vicki Been, on the other hand, raises a number of objections to compensation schemes. Such proposals are morally repugnant to many people because they do not relieve the health risks from proximity to pollution sources while they do provide an escape mechanism for those who can afford to pay for it. Many people object to the commodification of human life, health and dignity. Been methodically looks at several theories of fairness underlying proposals for improving environmental justice, detailing the pros and cons of each. Relief of the unfair burden of what she calls Locally Undesirable Land Uses (LULUS) in disadvantaged communities requires both a careful development of a conceptual framework of fairness and a thorough understanding of the impact of undesirable facilities on particular communities.

The implications of the spatial segregation of the poor, particularly the concentration of poor African-Americans in the inner city, are at the heart of another highly charged topic: the urban underclass. **William Julius Wilson** has made the underclass a major theme of several books since the late 1970s, taking particular note of the difference in economic outcomes between the black middle class and the urban poor.

While the proportion of African Americans in poverty has been declining, the condition of blacks who are poor has deteriorated. Falling unemployment in the latter half of the 1990s has improved the situation somewhat, but inner city blacks, particularly young black men, have been in crisis for two decades. Deindustrialization in the North and Midwest threw many men with little education and few skills out of unionized jobs. Black men were particularly hard hit since they were over represented in the affected industries. Wilson contends that the loss of well-paid industrial employment has had far-reaching effects. Young people were left not only without jobs, but also without positive role models or stable home and community environments.

One of the clearest manifestations of the crisis among young blacks is reflected in rates of incarceration. **Jerome Miller** presents compelling evidence that the heavy involvement of black men with the criminal justice system results in great measure from an accumulation of

discriminatory practices. At every stage of the process - arrest, indictment, adjudication, sentencing, parole - black men face more serious consequences than white men with similar criminal behavior. One frequently cited example corroborates Millers's view that the "War on Drugs" has had a discriminatory and devastating impact on black communities. Mandatory prisons sentences are set for much smaller amounts of crack cocaine, used more commonly by African Americans, than for powder cocaine, preferred by whites. In an article summarized in Part 6, William Darity describes the debilitating consequences that incarceration and violent crime have on black family life, leaving fewer young men available to marry and support children.

GENDER AND JOBS

Rather than spatial segregation, women face occupational segregation. Although women are entering, or increasing their share of, many fields traditionally dominated by men, women are still over or under represented in many occupations. Table 1 shows several dozen occupations in which women hold 75% or more or 25% or less of the jobs in the occupation. The table also compares wages for men and women when such information was available. Occupations held largely by women tend to be poorly paid, and women frequently earn less than men even in the same occupation.

Table VIII.1. Share of Women in Selected Occupations/Median Weekly Earnings by Occupation

	Median Weekly Earnings		Women in Occ. (% Share)
	Men	Women	
Total, 16 years and over	598	456	43
Secretaries, stenographers, and typists	484	436	98
Child care workers (private household)	208	97	
Cleaners and servants	227	95	
Financial records processing	466	426	91
Information clerks	453	363	89
Health service occupations	342	315	87
Health assessment and treating occupations	791	730	83
Librarians, archivists, and curators	640	82	
Miscellaneous administrative support occupations	482	389	82
Records processing, except financial	419	416	80
Communications equipment operators	368	79	
Managers, medicine, and health	869	679	79
Health technologists and technicians	588	486	78
Sales representatives, commodities, except retail	765	603	25
Guards	378	330	20
Freight, stock, and material handlers	350	312	20
Laborers, except construction	384	331	19
Engineering and related techs	668	529	19
Supervisors (precision production)	686	478	17
Police and detectives	662	583	16
Related agricultural occupations	314	274	15
Farm managers	486	14	
Farm occupations, except managerial	288	264	14
Precision woodworking occupations	507	13	
Vehicle washers and equipment cleaners	322	11	
Engineers, architects, and surveyors	1,007	827	11
Motor vehicle operators	514	362	9
Supervisors (protective services)	786	8	
Garage and service station related occupations	297	7	
Transportation occupations, except motor vehicles	862	7	
Precision metalworking occupations	621	444	7
Supervisors (mechanics and repairers)	748	6	
Material moving equipment operators	510	397	6
Mechanics and repairers, except supervisors	592	516	4
Construction laborers	393	3	
Plant and system operators	703	3	
Firefighting and fire prevention	731	3	
Construction trades, except supervisors	522	403	2
Helpers, construction and extractive occupations	340	1	
Supervisors (construction trades)	709	1	

Source: Excerpted from Household Data for 1998 from *Employment and Earnings*, January 1999.

Although Table 1 is based on U.S. data, similar patterns exist worldwide. The International Labour Office undertook a detailed and extensive cross-national study which found occupational segregation by gender virtually everywhere in the world. (Anker, 1998) This report also found that occupations with high concentrations of women tended to be poorly paid.

However, in many cases occupations which have been growing rapidly are those which have high concentrations of women, offering women greater opportunities to enter the labor force. Patterns of segregation differ, for example in the Middle East and North Africa, women were concentrated in professional positions (primarily teaching and health care), but cultural restrictions meant that few women were in clerical or service positions. Men in these countries do what is considered “women’s work” in other areas.

In Scandinavian countries, known for their progressive social policy, higher proportions of workers were in female-dominated occupations than in other OECD countries. Sweden in particular provides many supportive programs for working women and many women, in turn, work in public sector occupations such as health care and teaching. Richard Anker points out that wage setting institutions in Scandinavian countries reduce the gap between men’s and women’s wages, so that occupational segregation is not as burdensome for women as in other countries.

Francine Blau, analyzes the effect of wage setting practices in Sweden on the gender gap. She found that wages in general are more equal in Sweden so that workers at lower percentile of the wage distribution are closer to the median wage than in many other countries (particularly, in this comparison, the U.S.). Women are at a similar percentile position in the overall wage distribution in both countries - and therefore much closer to men’s wages in Sweden. Even though women are concentrated in relatively lower paying jobs, the wage structure and other social welfare supports reduce the negative impact. This still does not address the point made by Anker in the ILO report that occupational segregation reduces women’s choices and shunts workers into jobs which may not be the best match for their interests and abilities.

Jobs with a high proportion of women often tend to mimic the kind of caretaking labor women have traditionally performed in the home. Some feminist economists would say that this caring work, like nursing or education, done by women is undervalued by society. Barbara Bergmann developed a model (Bergmann, 1974), further elaborated by Elaine Sorenson (1989), which combines explains lower pay in jobs held primarily by women by virtue of the high concentration of women. Her theory holds that discrimination excludes many women from male-dominated occupations. Women must crowd into a set of occupations where demand is smaller than supply, so wages in those jobs are reduced.

While equal pay for equal work amounts to the simplest form of justice, the extent of occupational segregation makes it difficult to upgrade women’s pay based solely on that criterion, since men’s and women’s jobs are often not exactly the same. However, it is possible to rate jobs on the basis of particular characteristics such as supervisory responsibility or customer contact and to develop compensation equity on the basis of comparable characteristics. In fact such rating systems are widely used by large companies to establish pay schedules, and their scales influence other firms which may not be able to undertake a large study. With the use of rating systems, it is possible to evaluate the “comparable worth” of various jobs based on underlying skills and demands. Ronnie Steinberg, in a summarized article, calls for such a process, but she also calls for careful evaluation of the construction of rating instruments

themselves. She offers a critique of several well known and widely used systems because they tend to undervalue occupations predominantly held by women. In one egregious examples, one system rated dog pound attendant as a more complex position than child care worker.

Comparable worth is a remedy targeted to a specific kind of gender-based inequality - occupational segregation. Affirmative action is broadly applicable to women and minorities in a variety of settings: education, employment, political, civic and social life. Affirmative actions programs have always faced criticism and resistance for their alleged implementation of “reverse discrimination.” Barbara Bergmann has developed a straightforward, clearly written defense of affirmative action as a necessary antidote to a socioeconomic regime which privileges some and deprives others of opportunity and advantage.(Bergmann, 1996) William Bowen, former President of Princeton University and Derek Bok ,former President of Harvard University, present results of a study of minority graduates of several colleges and universities of high academic quality. They extend the research to post-baccalaureate experience and conclude that affirmative action improved outcomes for many minority students and served to promote leadership among minorities and to increase diversity in professional, business and civic spheres. (Bowen and Bok, 1998).

Susan Sturm and Lani Guinier again bring up the issue of inordinate reliance on test scores as measures of merit. Opponents of affirmative action often claim that in specific instances female or minority applicants were chosen even though male or white applicants had higher scores on a standardized test administered in conjunction with the candidacy. Sturm and Guinier argue that such tests measure a very limited range of qualifications and are incapable of evaluating many valuable traits such as leadership, motivation or integrity. Furthermore, the differences in scores which have become the basis for litigation are often extremely slight and well within the margins of error of the test instruments themselves. Sturm and Guinier propose a more holistic approach to making decisions among applicants for schools and jobs, taking account of a broader array of instruments and relying on observation of actual performance when possible.

William Julius Wilson, expresses deep concern about the affects of the backlash to affirmative action. He fears it is divisive and may intensify prejudice and hostility toward minorities. He also argues that affirmative action, as it has been implemented to date, tends to favor relatively privileged members of targeted groups. Entry into higher education or desirable employment can only be achieved by individuals with at least some socioeconomic resources. The “truly disadvantaged,” to use Wilson’s own phrase, fall farther and farther behind. Wilson proposes a class-based system of preferences which would take economic circumstances as the basis for affirmative action. Poor women and minorities would benefit, but so would poor whites.

CONCLUSION

The evidence for persistent categorical inequalities is undeniable, but there are also undeniable signs of progress. A recent study by Richard Freeman and William Rodgers confirms what many have suspected: the economic boom of the late 1990s has made a definite improvement in the employment and wages of young non-college educated workers, particularly the young African American men who have taken the brunt of recent economic turmoil. (Freeman and Rodgers, 1999) Young women going to work in the wake of welfare reform have also benefitted from the tightening labor market. The problem is that booms are known to go bust and the last to be hired are usually the first to be let go in an economic downturn. A further finding in the Freeman and Rodgers study is that: “Youths do particularly well in areas that started the boom at

lower jobless rates, suggesting that minimizing the impact of recessions allows youths to make real gains instead of making up ground lost during the recession.”

This result hints at a role for public policy to mitigate the harsh cycles of free market economies in order to maintain the momentum gained in this recovery. Policy interventions will be particularly necessary in order to balance the positive effects of growth against its negative environmental effects. A truly sustainable society cannot tolerate runaway growth and rampant consumerism, but neither can it place the burden of restraining growth on those who are already disadvantaged.

Women have also made great strides in recent years by many measures: increasing participation in the labor force, the shrinking of the wage gap, moving into more occupations. The greatest hurdle here is also one of balance: how to engage in the social, public, productive life of the larger economy while providing care and nurturance for families. This is not just a question for women, but one with which society as a whole must grapple.

Notes

1. Statistics based on the Current Population Survey administered by the U.S. Census Bureau and the Bureau of Labor Statistics contain finding for both men and women in white, black, and Asian and Pacific Islander racial groups, and for men and women in Hispanic and non-Hispanic white groups. Other groups are not reported due to small sample size. Persons of Hispanic origin may be of any race.